

CITY OF FRISCO
Combining Statement of Net Assets
Component Units
September 30, 2008

	Community Development	Economic Development	Charitable Foundation	Total
ASSETS				
Current:				
Cash and cash equivalents	\$ 6,173,436	\$ 10,667,415	\$ 172,476	\$ 17,013,327
Investments	2,985,000	4,993,750	-	7,978,750
Receivables -				
Sales tax	1,727,389	1,727,389	-	3,454,778
Other	31,591	40,417	1,000	73,008
Intergovernmental receivable	25,000	-	-	25,000
Prepaid expenses	-	17,676	-	17,676
Notes receivable	300,000	213,000	-	513,000
Deferred cost	314,933	294,855	-	609,788
Total current assets	<u>11,557,349</u>	<u>17,954,502</u>	<u>173,476</u>	<u>29,685,327</u>
Non-current:				
Capital assets, net of accumulated depreciation	52,983,777	28,368,727	-	81,352,504
Restricted assets:				-
Cash and cash equivalents	-	1,091,220	-	1,091,220
Total non-current assets	<u>52,983,777</u>	<u>29,459,947</u>	<u>-</u>	<u>82,443,724</u>
Total assets	<u>64,541,126</u>	<u>47,414,449</u>	<u>173,476</u>	<u>112,129,051</u>
LIABILITIES				
Current:				
Accounts payable	93,098	2,356,937	-	2,450,035
Accrued liabilities	-	38,273	-	38,273
Intergovernmental payable	563,575	1,500,000	159,000	2,222,575
Liability for compensated absences	-	49,937	-	49,937
Accrued interest payable	288,021	319,109	-	607,130
Deposits	63,237	-	-	63,237
Unearned revenue	86,728	-	-	86,728
Notes payable	2,306,911	341,657	-	2,648,568
Grants payable	881,913	881,913	-	1,763,826
Total current liabilities	<u>4,283,483</u>	<u>5,487,826</u>	<u>159,000</u>	<u>9,930,309</u>
Non-current:				
Liability for compensated absences	-	28,249	-	28,249
Notes payable	45,775,158	15,468,857	-	61,244,015
Grants payable	718,310	718,311	-	1,436,621
Bonds payable	-	10,773,999	-	10,773,999
Total non-current liabilities	<u>46,493,468</u>	<u>26,989,416</u>	<u>-</u>	<u>73,482,884</u>
Total liabilities	<u>50,776,951</u>	<u>32,477,242</u>	<u>159,000</u>	<u>83,413,193</u>
NET ASSETS				
Invested in capital assets, net of related debt	4,901,708	4,739,617	-	9,641,325
Restricted for debt service reserve	-	772,111	-	772,111
Unrestricted	8,862,467	9,425,479	14,476	18,302,422
Total net assets	<u>\$ 13,764,175</u>	<u>\$ 14,937,207</u>	<u>\$ 14,476</u>	<u>\$ 28,715,858</u>

City of Frisco
Combining Statement of Activities
Component Units
For the fiscal year ended September 30, 2008

Functions/Programs:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Service	Operating Grants and Contributions	Component Units			Total
				Community Development	Economic Development	Charitable Foundation	
Component units:							
Community Development	\$ 9,122,892	\$ 801,807	\$ 200,000	\$ (8,121,085)	\$ -	\$ -	(8,121,085)
Economic Development	9,368,949	-	344,450	-	(9,024,499)	-	(9,024,499)
Charitable Foundation	159,000	-	42,138	-	-	(116,862)	(116,862)
Total component units	\$ 18,650,841	\$ 801,807	\$ 586,588	\$ (8,121,085)	\$ (9,024,499)	\$ (116,862)	(17,262,446)
General revenues:							
Sales taxes				9,897,413	9,897,413	-	19,794,826
Miscellaneous				428,242	116,029	-	544,271
Investment income				252,673	716,919	-	969,592
Total general revenues				10,578,328	10,730,361	-	21,308,689
Change in net assets				2,457,243	1,705,862	(116,862)	4,046,243
Net assets, beginning				11,306,932	13,231,345	131,338	24,669,615
Net assets, ending				<u>\$ 13,764,175</u>	<u>\$ 14,937,207</u>	<u>\$ 14,476</u>	<u>28,715,858</u>
				13,764,175	14,937,207	\$ 14,476	-

CITY OF FRISCO
Balance Sheet
Component Units
September 30, 2008

	<u>Community Development Corporation</u>	<u>Economic Development Corporation</u>	<u>Charitable Foundation</u>	<u>Total Component Units</u>
ASSETS				
Cash and cash equivalents	\$ 6,173,436	\$ 10,667,415	\$ 172,476	\$ 17,013,327
Investments	2,985,000	4,993,750	-	7,978,750
Receivables (net of allowances for uncollectibles):				
Sales tax	1,727,389	1,727,389	-	3,454,778
Other	31,591	40,417	1,000	73,008
Intergovernmental receivable	25,000	-	-	25,000
Prepays	-	17,676	-	17,676
Notes receivable	-	213,000	-	213,000
Restricted assets:				
Cash and cash equivalents	-	1,091,220	-	1,091,220
	<u>10,942,416</u>	<u>18,750,867</u>	<u>173,476</u>	<u>29,866,759</u>
Total assets				
	<u>10,942,416</u>	<u>18,750,867</u>	<u>173,476</u>	<u>29,866,759</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	93,098	2,356,937	-	2,450,035
Accrued liabilities	-	38,273	-	38,273
Intergovernmental payable	563,575	1,500,000	159,000	2,222,575
Deposits	63,237	-	-	63,237
Deferred revenue	86,728	-	-	86,728
Total liabilities	<u>806,638</u>	<u>3,895,210</u>	<u>159,000</u>	<u>4,860,848</u>
Fund balances:				
Reserved for prepaids	-	17,676	-	17,676
Reserved for debt service	-	1,091,220	-	1,091,220
Unreserved, undesignated	10,135,778	13,746,761	14,476	23,897,015
Total fund balances	<u>10,135,778</u>	<u>14,855,657</u>	<u>14,476</u>	<u>25,005,911</u>
	<u>10,942,416</u>	<u>18,750,867</u>	<u>173,476</u>	<u>29,866,759</u>
Total liabilities and fund balances				
	<u>\$ 10,942,416</u>	<u>\$ 18,750,867</u>	<u>\$ 173,476</u>	<u>\$ 29,866,759</u>

CITY OF FRISCO
Statement of Revenues, Expenditures, and Changes in Fund Balances
Component Units
For the Fiscal Year Ended September 30, 2008

	<u>Community Development Corporation</u>	<u>Economic Development Corporation</u>	<u>Charitable Foundation</u>	<u>Total Component Units</u>
REVENUES:				
Taxes:				
Sales	\$ 9,897,413	\$ 9,897,413	\$ -	\$ 19,794,826
Intergovernmental	200,000	-	-	200,000
Investment earnings	252,673	716,919	-	969,592
Contributions and donations	-	344,450	42,138	386,588
Rents	801,807	-	-	801,807
Miscellaneous	93,754	116,029	-	209,783
Total revenues	<u>11,245,647</u>	<u>11,074,811</u>	<u>42,138</u>	<u>22,362,596</u>
EXPENDITURES:				
Current:				
General government	4,849,458	8,527,115	159,000	13,535,573
Capital outlay	184,072	9,029,820	-	9,213,892
Debt service:				
Principal retirement	2,976,739	1,126,739	-	4,103,478
Interest and fiscal charges	<u>2,402,351</u>	<u>1,590,020</u>	<u>-</u>	<u>3,992,371</u>
Total expenditures	<u>10,412,620</u>	<u>20,273,694</u>	<u>159,000</u>	<u>30,845,314</u>
Excess (deficiency) of revenues over (under) expenditures	833,027	(9,198,883)	(116,862)	(8,482,718)
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of bonds	-	10,693,697	-	10,693,697
Proceeds from sale of assets	<u>1,013,838</u>	<u>-</u>	<u>-</u>	<u>1,013,838</u>
Total other financing sources	<u>1,013,838</u>	<u>10,693,697</u>	<u>-</u>	<u>11,707,535</u>
Net change in fund balances	1,846,865	1,494,814	(116,862)	3,224,817
Fund balances, beginning	8,288,913	13,360,843	131,338	21,781,094
Fund balances, ending	<u>\$ 10,135,778</u>	<u>\$ 14,855,657</u>	<u>\$ 14,476</u>	<u>\$ 25,005,911</u>

City of Frisco
Reconciliation of the Balance Sheet of Component Units
to the Statement of Net Assets
September 30, 2008

Amounts reported for component unit activities in the statement of net assets are different because:

Total fund balances per balance sheet	\$ 25,005,911
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	81,352,504
Other assets are not available to pay for current-period expenditures	909,788

Some long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:

Bonds payable	10,773,999	
Grants payable	3,200,447	
Notes payable	63,892,583	
Accrued interest payable	607,130	
Compensated absences	78,186	
Total long-term liabilities	<u>78,552,345</u>	<u>(78,552,345)</u>

Total net assets - component units	<u>\$ 28,715,858</u>
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Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Component Units
to the Statement of Activities
For the Year Ended September 30, 2008

Amounts reported for component units in the statement of activities are different because:

Net change in fund balances - total component units	\$ 3,224,817
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	7,273,668
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Revenues in the fund statements that are not reported in the statement of activities. This adjustment reflects the book value of assets sold during the year.	(679,350)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(6,464,750)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	691,858
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Change in net assets of component units	<u><u>\$ 4,046,243</u></u>
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